

Nebraska FSA and NRCS State Office Newsletter - June 2023

Farm Service Agency | Natural Resources Conservation Service | Risk Management Agency

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## A Message from the FSA Acting State Executive Director

Traffic is picking up at county Farm Service Agency offices across the state as folks have parked their planters and are coming in to work with us to complete their 2023 acreage certification. The deadline for certification of spring crop, perennial forage (pastures) and Conservation Reserve Program (CRP) acres is **July 17, 2023**. If you have not yet communicated with your county FSA office on this subject, please do so immediately.

While you are in the office for acreage certification, you may want to ask about FSA's two revenue loss programs, the <a href="Emergency Relief Program Phase 2">Emergency Relief Program Phase 2</a> (ERP Phase 2) and the

Pandemic Assistance Revenue Program (PARP). Both of these ad hoc disaster assistance programs are open for application through July 14, 2023. ERP Phase 2 addresses revenue losses from natural disasters in 2020 and 2021 and is applicable to crops, while PARP addresses revenue losses in 2020, is applicable to both crops and livestock, and is designed to cover gaps in previous pandemic assistance (which was targeted at price loss or lack of market access). Please note the article directly below this column as recent policy changes for ERP Phase 2 may be impactful for livestock producers who raise crops for feeding on the farm/ranch to their livestock or for feedlot owners who raise their own crops for use in feeding. These ERP Phase 2 policy changes also apply to grape growers who grow grapes for further processing on farm. Ask for more information at your county FSA office. You also can learn more under the Spotlights section of the Nebraska FSA webpage.

If you are a livestock producer who is trying to manage your herd through drought, excessive heat and other extreme weather conditions, please familiarize yourself with the Farm Service Agency programs that can assist you and then contact your county FSA office for additional information. Programs such as the <a href="Livestock Forage Disaster Program">Livestock Forage Disaster Program</a> (LFP) and the <a href="Emergency Assistance for Livestock">Emergency Assistance for Livestock</a>, <a href="Honeybees">Honeybees</a> and <a href="Farm-raised Fish">Farm-raised Fish</a>
<a href="Program">Program</a> (ELAP) have triggered in many Nebraska counties. The <a href="Livestock Indemnity">Livestock Indemnity</a>
<a href="Program">Program</a> (LIP) provides financial assistance for livestock lost above normal mortality rates due to extreme weather conditions, which can include excessive heat; FSA must be notified of such losses within 30 days of when the losses are first apparent.

It's the start of the FSA County Committee election season, with nominations for local county committee representatives now being accepted through **Aug. 1, 2023**. County Committees play an important role in your local agriculture community because they are made up of farmers and ranchers, elected by farmers and ranchers. County Committees provide a local voice on FSA programming and county office operations. Want to learn more? Read below and then stop in and visit with your County Executive Director.

That's all for June. My hope is for favorable rains for Nebraska before I talk to you again.

--Tim Divis

### USDA Announces Corrections to Emergency Relief Program Policy to More Accurately Reflect 2020 and 2021 Natural Disaster Impacts on Crops Intended for On-Farm Use

The U.S. Department of Agriculture (USDA) is updating the <a href="Emergency Relief Program">Emergency Relief Program</a> (ERP) Phase Two to provide a method for valuing losses and accessing program benefits to eligible producers of certain crops, including grapes grown and used by the same producer for wine production or forage that is grown, stored and fed to livestock, that do not generate revenue directly from the sale of the crop. These updates ensure that ERP benefits are more reflective of these producers' actual crop losses resulting from 2020 and 2021 natural disaster events. Farm Service Agency (FSA) is accepting ERP Phase Two applications from producers with these circumstances, as well

as other eligible producers, through the ERP Phase 2 application deadline, which is July 14

#### Background

In January 2023, FSA announced ERP Phase Two, designed to wrap-up and fill remaining gaps in previous natural disaster assistance for 2020 and 2021.

To be eligible for ERP Phase Two, producers must have suffered a decrease in allowable gross revenue in 2020 or 2021 due to necessary expenses related to losses of eligible crops from a qualifying natural disaster event. Assistance is primarily for producers of crops that were not covered by Federal Crop Insurance or the Noninsured Crop Disaster Assistance Program since crops covered by Federal Crop Insurance and NAP were included in the assistance under ERP Phase One administered in 2022.

For more information on the ERP Phase 2 policy update noted above, please <u>read the</u> news release.

### Farm Service Agency Now Accepting Nominations for Farmers, Ranchers to Serve on Local County Committees

Farm Service Agency (FSA) is now accepting nominations for county committee members for elections that will occur later this year. All nomination forms for the 2023 election must be postmarked or received in the local FSA office by Aug. 1, 2023.

County committee members play a role in how FSA carries out disaster programs, as well as conservation, commodity and price support programs, county office employment and other agricultural issues.

Elections will occur in certain Local Administrative Areas (LAA) for members. LAAs are elective areas for FSA committees in a single county or multi-county jurisdiction. FSA this year has announced a new GIS tool to make it easier for producers to locate their LAA. The tool is available at <a href="mailto:fsa.usda.gov/elections">fsa.usda.gov/elections</a>.

Agricultural producers may be nominated for candidacy for the county committee if they:

- Participate or cooperate in a USDA program; and
- Reside in the LAA that is up for election this year.

A cooperating producer is someone who has provided information about their farming or ranching operation to FSA, even if they have not applied or received program benefits. Individuals may nominate themselves or others and qualifying organizations may also nominate candidates. USDA encourages minority producers, women and beginning farmers or ranchers to nominate, vote and hold office.

Nationwide, more than 7,700 dedicated members of the agricultural community serve on FSA county committees. The committees are made up of three to 11 members who serve three-year terms.

Producers should contact their local FSA office today to register and find out how to get involved in their county's election, including if their LAA is up for election this year. To be considered, a producer must be registered and sign an <u>FSA-669A</u> nomination form. Nomination forms and other information about FSA county committee elections are available at fsa.usda.gov/elections.

# USDA Accepts More Than 1 Million Acres in Offers Through Conservation Reserve Program General Signup

Agriculture Secretary Tom Vilsack recently announced the U.S. Department of Agriculture (USDA) has accepted more than 1 million acres in this year's Conservation Reserve Program (CRP) General signup. This is one of several signups that USDA's Farm Service Agency (FSA) is holding for the program, and these results reflect the recognition the agricultural community gives to CRP as a resource for climate-smart agriculture that helps promote plant and animal biodiversity as well as healthier soil. The signup's results include 24,609 acres in Nebraska.

While offers for new land in this General CRP signup totaled about 295,000 acres nationwide, producers submitted re-enrollment offers for 891,000 expiring acres, reflecting the successes of participating in CRP longer term.

For more information on the General CRP signup results, please read the news release.

## Farm 'Recon' Important to Keep FSA Records Up to Date

When changes in farm ownership or operation take place, a farm *reconstitution* is necessary. The reconstitution — or recon — is the process of combining or dividing farms or tracts of land based on the farming operation.

To be effective for the current Fiscal Year (FY), farm combinations and farm divisions must be requested by **August 1 of the FY** for farms subject to the Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) program. A reconstitution is considered to be requested when all of the required signatures are on FSA-155 and all other applicable documentation, such as proof of ownership, is submitted.

Total Conservation Reserve Program (CRP) and non-ARC/PLC farms may be reconstituted at any time.

The following are the different methods used when doing a farm recon:

- **Estate Method** the division of bases, allotments and quotas for a parent farm among heirs in settling an estate
- **Designation of Landowner Method** may be used when (1) part of a farm is sold or ownership is transferred; (2) an entire farm is sold to two or more persons; (3) farm ownership is transferred to two or more persons; (4) part of a tract is sold or ownership is transferred; (5) a tract is sold to two or more persons; or (6) tract ownership is transferred to two or more persons. In order to use this method, the land sold must have been owned for at least three years, or a waiver granted, and the buyer and seller must sign a Memorandum of Understanding
- DCP Cropland Method the division of bases in the same proportion that the DCP cropland for each resulting tract relates to the DCP cropland on the parent tract
- **Default Method** the division of bases for a parent farm with each tract maintaining the bases attributed to the tract level when the reconstitution is initiated in the system.

For questions on your farm reconstitution, contact your county FSA office.

# USDA Loan Assistance Tool Helps Producers Navigate Application Process

The U.S. Department of Agriculture (USDA) has an online tool to help farmers and ranchers better navigate the farm loan application process. This uniform application process is designed to help to ensure all farm loan applicants receive equal support and have a consistent customer experience with USDA's Farm Service Agency (FSA), regardless of their individual circumstances.

USDA experiences a high rate of incomplete or withdrawn applications, particularly among underserved customers, due in part to a challenging and lengthy paper-based application process. The Loan Assistance Tool gives customers an online step-by-step guide that supplements the support they receive when working in person with a USDA employee, providing materials that may help an applicant prepare their loan application in one tool.

Farmers can access the Loan Assistance Tool by visiting <a href="farmers.gov/farm-loan-assistance-tool">farmers.gov/farm-loan-assistance-tool</a> and clicking the 'Get Started' button. From here they can follow the prompts to complete the Eligibility Self-Assessment and start the farm loan journey. The tool is built to run on any modern browser like Chrome, Edge, Firefox, or the Safari browser, and is fully functional on mobile devices. It does not work in Internet Explorer.

# FSA Has Program Opportunities to Assist Beginning Farmers, Ranchers

Accessing capital to begin, extend or support an agriculture operation can be especially challenging to new producers. Farm Service Agency offers a variety of resources to assist those who are just starting out, including "Beginning Farmer" direct and guaranteed loan

programs that have funding targeted for qualified applicants. To access these programs, beginning farmers/ranchers must meet these basic qualifiers:

- Has operated a farm/ranch for not more than 10 years
- Will materially and substantially participate in the operation of the farm/ranch
- Agrees to participate in a loan assessment, borrower training and financial management program required by FSA
- Does not own a farm in excess of 30 percent of the county's average size farm.

Individuals interested in learning more should contact their county FSA office. A couple of loan programs to inquire about include:

- <u>Direct Farm Ownership Down Payment Loan</u> this type of loan may be used by beginning farmers/ranchers to purchase a farm or ranch. It requires a 5% cash down payment, but also offers a low interest rate that can be as low as 1.5%.
- <u>Direct Farm Ownership Loan Joint Financing</u> this type of loan may be used by any qualified borrower but is often used by beginners to purchase a farm or ranch with no down payment required. Financing is provided jointly by FSA and another lender. This program also offers a low interest rate, which can be as low as 2.5%.
- Microloans this type of loan may be used by any qualified borrower but is
  designed to meet the needs of small and beginning farmers/ranchers by easing
  some requirements and offering less paperwork. It can be used for purchasing a
  farm or ranch (ownership), but also for operational expenses (operating) and other
  needs. It does have a \$50,000 loan limit for each type of loan.

Other loan programs may be appropriate, depending on individual needs. Potential customers are encouraged to check out the <u>Farm Loan Discovery Tool</u> to review the various loan options. There also is an <u>online Loan Assistance Tool</u>, which takes potential applicants through an eligibility checklist and provides line-by-line guidance on the FSA loan paperwork.

There are FSA farm programs that have specific provisions for individuals meeting the beginning farmer/rancher definition, and producers are encouraged to ask about these programs at their FSA office. For example, the Noninsured Crop Disaster Assistance Program (NAP) helps producers manage risk for both crop losses and crop plantings that were prevented due to natural disaster. NAP is available for crops not covered by federal crop insurance and basic coverage is available at no cost to qualified beginning farmers/ranchers. Other programs with beginning farmer/rancher provisions include the Emergency Conservation Program and the Dairy Margin Coverage Program, among others.

For additional information about these and other FSA resources for beginning farmers/ranchers, contact your county FSA office.

#### June FSA Loan Interest Rates

#### **OPERATING/OWNERSHIP**

Operating: 4.5%

Operating – Microloan: 4.5% Farm Ownership: 4.75%

Farm Ownership - Joint Financing: 2.75% Farm Ownership - Down Payment: 1.5%

Emergency - Actual Loss: 3.75%

#### **FARM STORAGE FACILITY LOAN**

3-year term: 3.75% 5-year term: 3.5% 7-year term: 3.5% 10-year term: 3.5% 12-year term: 3.625%

#### MARKETING ASSISTANCE

Commodity Loan: 5.75%

### FSA Offers Drought Assistance for Livestock Producers Through Emergency Assistance for Livestock, Honey Bees and Farm-raised Fish Program (ELAP)

If you've suffered above normal expenses for hauling feed or water to livestock or hauling livestock to forage/grazing acres due to the impacts of drought, you may be eligible for financial assistance through the Emergency Assistance for Livestock, Honey Bees, and Farm-Raised Fish Program (ELAP).

For eligible producers in qualifying counties, ELAP provides financial assistance for:

- the transportation of water to livestock;
- the above normal cost of mileage for transporting feed to livestock,
- the above normal cost of transporting livestock to forage/grazing acres.

Eligible livestock include cattle, buffalo, goats and sheep, among others, that are maintained for commercial use and located in a county where the qualifying drought conditions occur. A county must have had D2 severe drought intensity on the U.S. Drought Monitor for eight consecutive weeks during the normal grazing period, or D3 or D4 drought intensity at any time during the normal grazing period. Producers must have risk in both eligible livestock and eligible grazing land in an eligible county to qualify for ELAP assistance.

The deadline to apply for ELAP assistance for 2023 losses is Jan. 30, 2024.

#### WATER TRANSPORTATION

For ELAP water transportation assistance, a producer must be transporting water to eligible livestock on eligible grazing land where the producer had adequate livestock watering systems or facilities in place before the drought occurred and where they do not normally require the transportation of water. Payments are for costs associated with personal labor, equipment, hired labor, equipment, and/or contracted water transportation fees. Cost of the water itself is not covered. The ELAP payment formula uses a national average price per gallon.

#### ABOVE NORMAL COSTS OF TRANSPORTING FEED

ELAP provides financial assistance to livestock producers who incur above normal expenses for transporting feed to livestock during drought. The payment formula excludes the first 25 miles and any mileage over 1,000 miles. The reimbursement rate is 60% of the costs above what would normally have been incurred during the same time period in a normal (non-drought) year.

### ABOVE NORMAL COSTS OF TRANSPORTING LIVESTOCK TO FORAGE/GRAZING ACRES

ELAP provides financial assistance to livestock producers who are hauling livestock to a new location for feed resources due to insufficient feed and/or grazing in drought-impacted areas.

For ELAP eligibility, documentation of expenses is critical. Producers should maintain records and receipts associated with the costs of transporting water to eligible livestock, the costs of transporting feed to eligible livestock, and the costs of transporting eligible livestock to forage/grazing acres.

ELAP also offers assistance to producers impacted by wildfire. In addition, beekeepers also can benefit from ELAP provisions and should contact their county FSA office within 15 calendar days of when a loss occurs or from when the loss is apparent.

For more information regarding ELAP, contact the county FSA office.

# Protect Your Investments in the Soil: USDA's Modernized Lab Data Mart Website Provides User-Friendly, State-of-the-Art Data



The newly updated Lab Data Mart website brings valuable soil data to the public's fingertips through a user-friendly, state-of-the-art interactive map. Architects, educators, engineers, farmers, landowners, researchers, scientists, and anyone looking to learn more about their soil can access the latest data to make more informed decisions and reduce potential soil risks and hazards.

Understanding your specific soil and its dynamic properties, which can change over time due to human impacts, land management, and climate change, can be invaluable. **Learn more.** <a href="https://www.nrcs.usda.gov/conservation-">https://www.nrcs.usda.gov/conservation-</a>

basics/natural-resource-concerns/soil/news/protect-your-investments-in-the-soil-usdas

#### **Dates to Remember**

July 4, 2023 – USDA Service Centers closed for federal holiday

**July 14, 2023** – FSA deadline for applications to the Emergency Relief Program Phase 2 (ERP2) and the Pandemic Assistance Revenue Program (PARP)

July 15, 2023 – End of primary nesting season for CRP program purposes

**July 17, 2023** – FSA deadline to report all spring-seeded crops, perennial forage and Conservation Reserve Program (CRP) acres

**July 31, 2023** – FSA deadline for enrollment in the Conservation Reserve Program (CRP) CLEAR30 Signup

**Aug. 1, 2023** – FSA deadline for producers to request a farm transfer or a farm reconstitution

**Aug. 1, 2023** – FSA County Committee Election candidate nomination form must be returned by close of business

\*\*\*Please note any above NAP calendar reference may not be inclusive for all NAP-covered crops; NAP participants should contact their County FSA Office to confirm important program deadlines.



#### **Nebraska FSA and NRCS State Office Information**

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